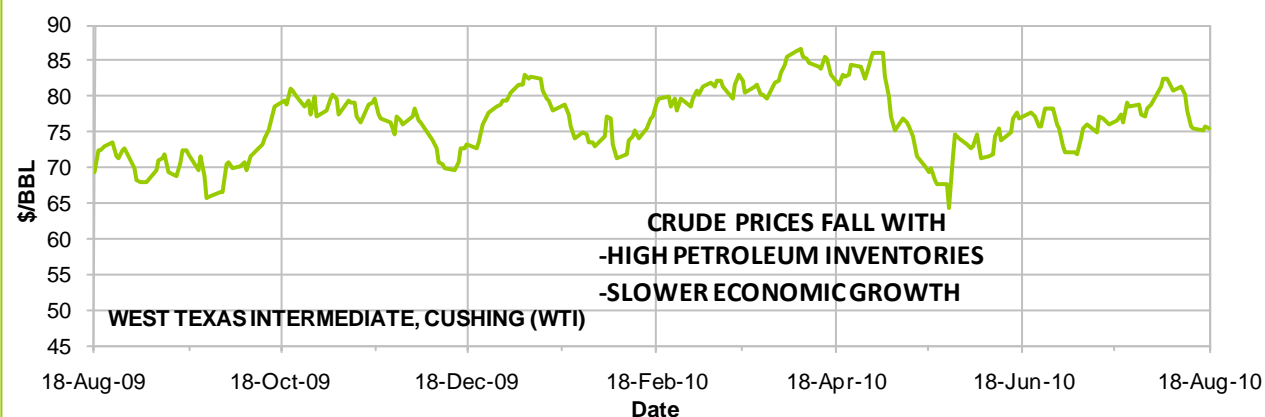


Crude Oil



Crude inventories fell again this week. Although oil production and imports increased, inputs to refineries rose by a surprising 1.1% as refinery utilization rates grew by 1.9 percentage points to a three-year high for the time period. The 0.8 million barrel decline in inventories was less than the expected 1.0 million barrel decline but slightly more than the 5-year average decline of 0.6 million barrels. Crude stocks are 2.7% above last year and 8.2% above the 5-year average. Inventory levels are at their highest level for this date since 1990 and the second highest ever.

Crude prices fell again this week as petroleum inventories remain high, demand remains soft, and the economic outlook grows more pessimistic. Spot prices and futures prices were down \$2.72 and \$2.29 for the week. The spot price settled at \$75.37, \$6.18 (8.9%) higher than a year ago. Futures prices were at \$78.57, \$4.02 (5.4%) higher than last year. Both prices are about 47% below 2008's peak price.

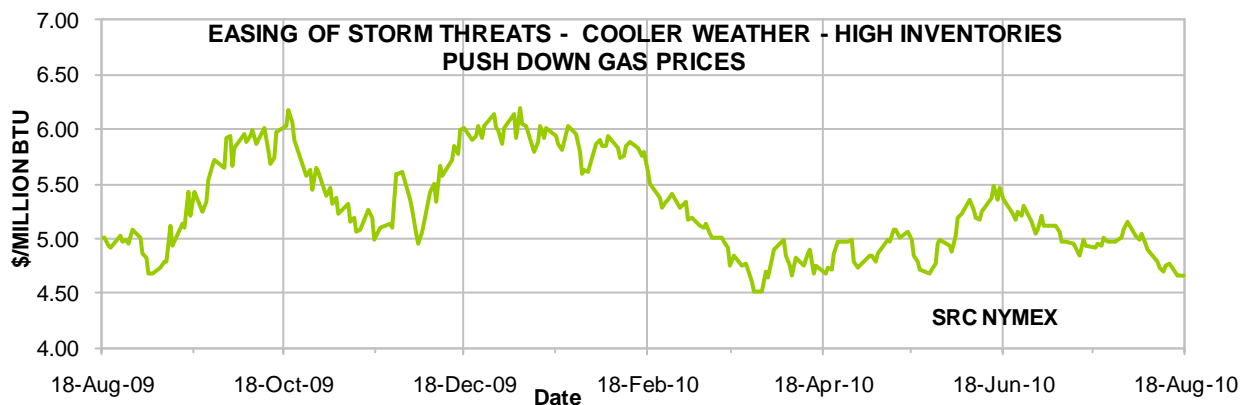


Natural gas



Inventories rose by only 27 BCF this week. This was 10% below the expected injection level of 30 BCF and 46% below the 5-year average gain of 50 BCF. Over the past 22 weeks inventories have grown by 1397 BCF, 9.6% higher than the normal gain of 1274 BCF. At 3,012 BCF, this week's inventory level is 7.0% above the 5-year average but trails last year's record high of 3,197 BCF by 5.8%. Inventories remain at high levels despite U.S. cooling degrees days running 21% above normal.

Despite disappointing storage injections the previous 8 weeks, prices continue to fall as tropical storm threats lessen, weather cools, and industrial demand remains weak. Futures prices settled at \$4.659 per million BTU, down 4.0 cents for the week and 6.8% lower than a year ago. They are 65.1% below their 2008 peak. Spot prices also fell by 4.0 cents this week. At \$4.340 per million BTU, they are 39.1% higher than a year ago but 67.4% below their 2008 peak price.

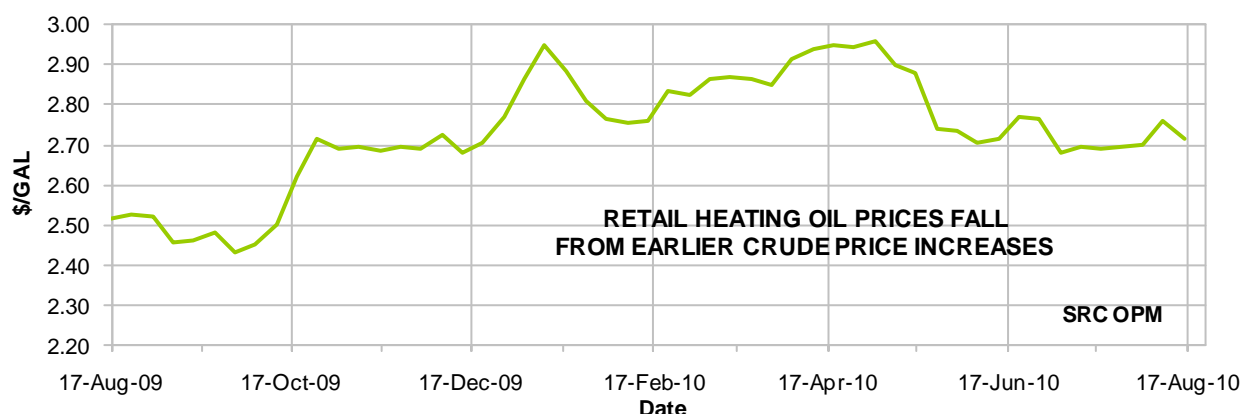


Heating oil



Distillate stocks grew by 1.1 million barrels this past week. The inventory gain was more than twice the 5-year average increase of 0.5 million. Inventory levels have improved to 7.7% above last year and 26.8% above the five-year average

The 12 month strip fell by 6.2 cents this week as prices followed crude downward. It is now at \$2.124/gal, 13.6 cents (6.8%) higher than a year ago. The spot price fell by 3.4 cents this week and is at \$1.970 /gal, 12.5 cents (6.8%) above last year. Prices are about half of their 2008 peaks. Retail prices fell by 4.7 cents following 2 weeks of increases as they reacted belatedly to earlier crude price decreases. At \$2.713/gal, retail prices are 19.6 cents (7.8%) above a year ago but are \$2.054 (43.1%) below their 2008 peak price. The highest price in this week's survey was \$3.299 and the lowest was \$2.249. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



Connecticut Regional Heating Oil Prices

| | FAIRFIELD | | | HARTFORD | | | NEW LONDON | | |
|-----------|------------|-------|-------|--|-------|-------|-----------------|-------|-------|
| | AVG | HIGH | LOW | AVG | HIGH | LOW | AVG | HIGH | LOW |
| 17-Aug-09 | 2.709 | 2.999 | 2.490 | 2.470 | 2.999 | 1.999 | 2.523 | 2.740 | 2.309 |
| 2-Aug-10 | 2.838 | 3.199 | 2.400 | 2.670 | 3.199 | 2.199 | 2.678 | 2.850 | 2.480 |
| 9-Aug-10 | 2.902 | 3.299 | 2.500 | 2.736 | 3.199 | 2.349 | 2.745 | 2.970 | 2.550 |
| 16-Aug-10 | 2.856 | 3.299 | 2.400 | 2.677 | 3.199 | 2.249 | 2.701 | 2.970 | 2.480 |
| | LITCHFIELD | | | MIDDLESEX | | | TOLLAND-WINDHAM | | |
| | AVG | HIGH | LOW | AVG | HIGH | LOW | AVG | HIGH | LOW |
| 17-Aug-09 | 2.501 | 2.659 | 2.399 | 2.539 | 2.649 | 2.350 | 2.456 | 2.579 | 2.309 |
| 2-Aug-10 | 2.663 | 2.729 | 2.559 | 2.762 | 2.899 | 2.640 | 2.639 | 2.799 | 2.449 |
| 9-Aug-10 | 2.725 | 2.769 | 2.699 | 2.834 | 2.949 | 2.699 | 2.706 | 2.849 | 2.499 |
| 16-Aug-10 | 2.651 | 2.759 | 2.599 | 2.798 | 2.899 | 2.540 | 2.666 | 2.799 | 2.499 |
| | NEW HAVEN | | | OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning August 16, 2010. Figures reflect per gallon prices without discount. | | | | | |
| | AVG | HIGH | LOW | | | | | | |
| 17-Aug-09 | 2.451 | 2.689 | 2.199 | | | | | | |
| 2-Aug-10 | 2.636 | 2.849 | 2.390 | | | | | | |
| 9-Aug-10 | 2.674 | 2.899 | 2.390 | | | | | | |
| 16-Aug-10 | 2.639 | 2.890 | 2.390 | | | | | | |

For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



Propane inventories increased by 2.4 million barrels this past week. This was 63% higher than the 5-year average gain of 1.5 million. Although production fell and demand increased slightly, a 24% growth in imports enabled stocks to grow over the previous week. Over the past 22 weeks inventories have grown by 34.7 million barrels, 18% above the 5-year average gain of 29.5 million for the time period. Current storage levels now trail last year's levels by 14.2% but are just 0.3% below the 5-year average.

Spot propane prices fell by 5.1 cents this past week as they followed crude oil prices downward. Prices have fallen by 41.6 cents (29%) since the beginning of the year. At \$1.030 per gallon yesterday, spot prices are 15.6 cents (17.8%) higher than a year ago but 48% lower than their peak 2008 price. According to census data, propane heats 2.7% of homes in Connecticut.



Gasoline



Gasoline inventories fell by only 39,000 barrels this past week. The decrease was only about 10% of the expected decline of 375,000 and about 1% of the 5-year average decline of 3.5 million barrels. Inventories levels are 6.3% above last year and 10.4% above the 5-year average. Stocks are at their highest level ever for this date.

At \$2.072/gal, futures were down 5.0 cents for the week and are 4.5 cents (2.3%) higher than last year. At \$1.897/gal, the spot price was down 1.8 cents for the week and 2.1 cents (1.1%) lower than a year ago. Spot prices and futures prices are about 44% below their 2008 peaks. Retail prices fell by 3.0 cents this past week after rising by 3.6 cents over the previous 2. Weak demand, high inventories, and falling crude prices have lead to the retail price decline. At \$2.868/gal, retail prices are only 6.1 cents (2.2%) higher than a year ago and they are 34.7% (\$1.522) below 2008's peak.

